



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
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355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

November 16, 1988

Mr. Mike Lowe
OroFino Corporation
P.O. Box 1936
Vernal, Utah 84078

Dear Mr. Lowe:

Re: Placer Mining Operation on State Lease ML 44152, S/047/047,
Uintah County, Utah

I spoke with you this morning concerning the above referenced mine. You mentioned that a state agency was requesting a bond of \$5,000 per acre of disturbance. I have checked with State Lands and they have confirmed this amount. In fact, Jerry Mansfield of State Lands sent a letter to Earl Gross on October 13, 1988 requesting a \$10,000 surety bond.

We received your Notice of Intention to Commence Small Mining Operations on August 10, 1988. During our conversation today, we determined that a Large Mining Operation may be more practical in your situation. Although a bond is not required for Small Mining Operations, this Division does require a reclamation surety on Large Mining Operations. This Division will determine the amount of surety required based on expected surface disturbance. If your bond with State Lands exceeds this calculated amount of surety, no additional monies will be required by this Division.

Enclosed are the following documents:

1. A copy of the Rules Governing the Management of State Lands in Utah;
2. A copy of the State of Utah Mined Land Reclamation Act;
3. A Notice of Intention to Commence Large Mining Operations form.

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Thank you for your cooperation. If you have any additional questions, feel free to call.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott Johnson", with a horizontal line extending to the right.

Scott Johnson
Reclamation Engineer

jb
Enclosure
cc: Earl Gross
Cliff Watts
MN18/37-38